

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INQUIRY INTO UNIVERSAL SERVICE AND FUNDING ISSUES))	ADMINISTRATIVE CASE NO. 360
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O R D E R

GTE South Incorporated ("GTE"), BellSouth Telecommunications, Inc. and BellSouth Cellular Corporation have petitioned the Commission to rehear or clarify several issues. AT&T Communications of the South Central States, Inc. has responded to GTE's petition.

The Commission will grant rehearing of all issues raised in the petitions, except those regarding the selection of the HAI Model which is currently the subject of Federal Communications Commission review.¹ The Commission will, however, in its Order on the petitions submitted, provide additional clarification of its model selection. Any party wishing to respond to the petitions may do so by no later than July 13, 1998. The Commission will enter an Order regarding these petitions on or before August 7, 1998.

Having considered the petitions for rehearing, and having been otherwise sufficiently advised, the Commission HEREBY ORDERS that:

1. Rehearing regarding the selection of the HAI Model is denied.

¹ See Common Carrier Bureau Seeks Comment on State Forward-Looking Cost Studies for Universal Service Support, CC Docket Nos. 96-45, 97-160 (DA 98-1055 rel. June 4, 1998).

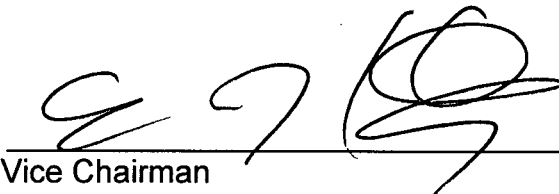
2. Rehearing regarding all other issues addressed in the petitions is hereby granted for purposes of clarification as well as reconsideration.

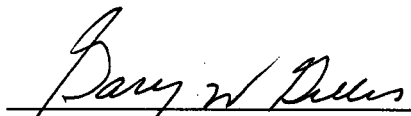
3. Responses to the petitions, if any, shall be filed no later than July 13, 1998.

Done at Frankfort, Kentucky, this 2nd day of July, 1998.

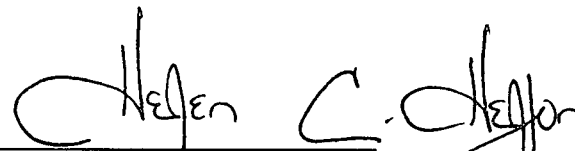
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director